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SUBJECT: POST-ELECTION: CAN ROSALES STAY THE COURSE?

REF: A. CARACAS 2472

[1](#)B. CARACAS 3585

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Classified By: Robert Downes, Political Counselor,
for Reason 1.4(d).

[1](#)1. (C) SUMMARY Although he lost to President Chavez by a substantial margin on December 3, Zulia Governor Manuel Rosales emerged from the presidential election as Venezuela's preeminent opposition leader. It remains to be seen whether the momentum Rosales enjoyed as a candidate will continue. Rosales wasted no time in trying to rally the opposition to stay united behind him. Flanked by major opposition figures Julio Borges and Teodoro Petkoff, a resolute and re-energized Rosales announced December 5 his intention to lead an opposition-wide effort to propose changes to the 1999 Constitution of the Bolivarian Republic of Venezuela. He also announced the transformation of his Zulia-based political party, Un Nuevo Tiempo, into a national party. Rosales's post-election "honeymoon" with the opposition, however, will likely be short. Jockeying among other opposition parties and their leaders, particularly Borges and his Primero Justicia party, will likely be a stick in Rosales's spokes. Moreover, the more Rosales remains a serious political force, the more likely President Chavez will use his powers, including possibly criminal prosecution, to try to undermine the Zulia governor. END SUMMARY

UN NUEVO TIEMPO

[1](#)2. (U) As he conceded December 3, Rosales thanked the "millions of Venezuelans" who voted for him and said those votes signify the beginning of the construction of an opposition platform that will "fight for the nation." He noted that his four months of intense campaigning and traveling throughout the country allowed him to unify a disparate opposition that lacked leadership. Invoking the name of his own party, Rosales said, "Today, we begin the fight for the construction of a new time (un nuevo tiempo) in Venezuela." Indeed, Rosales's Un Nuevo Tiempo (UNT) polled the most votes of any opposition party and the second-highest bloc of votes overall, alone accounting for 13.4% of the vote.

13. (C) Rosales conceded the presidential race to Chavez two hours after the CNE announced preliminary results and immediately following Chavez's victory speech. While a number of ultra-opposition activists criticized Rosales's speech as overly-conciliatory and not well-prepared, more thoughtful commentators believe Rosales's concession was statesmanlike and defused mounting tensions. Rosales re-emerged 48 hours later appearing re-energized and ready to lead a national opposition. He offered a well-prepared, well-publicized, well-attended, and well-delivered December 5 speech (public speaking has never been Rosales's strongest attribute) that signaled to the nation his strong intention to continue to lead the opposition. Rosales will continue to serve as governor of Zulia state and announced that he will also assume "the responsibility of steering the opposition in search of a new social democracy."

DUELING CONSTITUTIONAL REFORM PROPOSALS

14. (C) Rosales succeeded in rallying the opposition pre-election but keeping the traditionally fractious opposition together post-election will be inherently more difficult. Rosales has invoked an almost Chavista technique to galvanize the opposition, announcing December 5 a plan to form a commission for constitutional reform. Chavez acted in practically the same manner following his assumption of power in 1998, resulting in a Constituent Assembly and eventually a new, completely revamped national constitution. After Rosales's announcement, Chavez reacted predictably and proposed his own commission for a possible constitutional review. Rosales named a technical team of experts December 6 and is slated to name a political commission in the near

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future.

15. (C) Rosales's call for constitutional reform addresses a wide range of issues. In addition to demanding clearer language with regard to private property, Rosales indicated a need to address freedom of education, expression, and assembly. Rosales also suggested his debit card idea for distributing oil revenues be considered. Most notably - and sure to rankle President Chavez - Rosales signaled an intent to propose a reduction of the presidential term to four years, with only one re-election. He also proposed a multiple-round election that would likely entail a run-off in the event no candidate obtained the requisite number of votes.

16. (C) Early in the campaign, Chavez made rumblings that he would seek to amend the constitution to allow for his own indefinite re-election. Barring that, Chavez's calls to amend the constitution have been short on specifics. He has not yet named a commission to study possible reforms, but has indicated Hernan Escarra could be a prominent player in such a process. National Assembly Vice President Desiree Santos Amaral announced on December 6 that any discussion of Chavez's specific proposals to reform the constitution or the formation of a commission to analyze such proposals is premature and speculative.

POSSIBLE CHALLENGERS TO A ROSALES-LED OPPOSITION

PRIMERO JUSTICIA - A HOUSE DIVIDED CANNOT STAND

17. (C) Major opposition party Primero Justicia (PJ) polled the second-highest number of opposition votes on December 3 and neither the party nor its leader Julio Borges appears

predisposed to play second fiddle to UNT and Rosales. PJ supporters put out text messages on election day encouraging people to vote for Rosales on the PJ ticket to avoid purported government fraud aimed at the UNT ticket. UNT leaders told us during the campaign that Borges maintained his "own agenda" and squirreled away PJ's campaign funds.

¶18. (C) Fractured in the months leading up to the election (ref a), Primero Justicia now consists of two major factions: Primero Justicia, led by former presidential candidate and Rosales's presumptive vice-president, Julio Borges; and Primero Justicia Popular, led by former PJ Secretary-General Gerardo Blyde. In a December 4 press conference, Borges claimed that Primero Justicia alone was responsible for garnering one and a half million of the votes Rosales earned, providing PJ a platform on which "to construct something big." In truth, CNE numbers indicate PJ accounted for approximately 1.18 million votes, some 120,000 votes fewer than Rosales's UNT.

¶19. (C) While Borges claimed much of the credit for Rosales's relatively strong showing, PJ's vote total reflects that Rosales polled strongly in three of the five municipalities that make up greater Caracas. The man who led Rosales's Caracas campaign is the young, ambitious, charismatic, and extremely popular mayor of Chacao, Leopoldo Lopez. Lopez, a PJ up-and-comer, allies not with Borges, but with Gerardo Blyde. Maintaining some hope that PJ's two factions can unite for a common cause, both Borges and Lopez, along with dozens of other opposition leaders, flanked Rosales at his December 5 press conference, although Borges and Lopez sat on opposite sides of Rosales. Gerardo Blyde, who was not present at Rosales's December 5 press conference, has been named Secretary-General of the technical commission to propose constitutional reform.

A MAN WITHOUT A PARTY

¶10. (U) One-time major presidential candidate and opposition newspaper editor Teodoro Petkoff became a key Rosales strategist after he withdrew his own candidacy for the presidency in August. While not allied with a major opposition party and enjoying impeccable leftist credentials, Petkoff became a vocal spokesman for Rosales and can likely be expected to champion Rosales as the leader of a new

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opposition. He literally appeared as Rosales's "right-hand man" in the December 5 press conference.

¶11. (C) Petkoff also penned a front-page December 4 article in his paper, "Tal Cual," in which he praised Rosales's "nobility," and complimented his graciousness in defeat. Such grace, says Petkoff, opens the door for Rosales to lead a strong opposition. Quoting Churchill, Petkoff wrote that while there is no substitute for victory, nor is there a substitute for a defeat that motivates. Calling Rosales's campaign "miraculous," Petkoff writes that Rosales gave the opposition a face and a platform. There are no indications at this time that Petkoff harbors any aspirations to challenge Rosales's leadership position in a national opposition. Petkoff can be seen as a wild card, however, and, having gained the confidence of Rosales, he may alienate some center-right opposition forces.

THE PEANUT GALLERY

¶12. (C) Most opposition parties joined the chorus of praise for Rosales's electoral efforts, but that does not necessarily mean that they are ready to welcome his aut nomination as opposition leader. The Christian Democrats' (COPEI) Secretary-General Luis Ignacio Planas,

like Petkoff, also alluded to a "new majority" and said that the election opened up a new stage for the "triumph of a new project" in Venezuela. Planas pointedly did not mention Rosales as the "project" manager. Movement Towards Socialism (MAS) Secretary-General Leopoldo Puchi likewise made comments complimenting Rosales's nobility, but addressed the future, placing the onus on Chavez to responsibly lead Venezuela, not on the opposition (much less a Rosales-led opposition) to confront the government.

¶13. (C) Accion Democratica (AD) leader Henry Ramos Allup failed to see the positives inherent in Rosales's showing, instead calling the outcome of the election a "tragedy." Perhaps foreshadowing the inevitable collapse of the fragile opposition unity, Ramos said that the personal agendas that characterized this election were "ridiculous." As AD continues to have the most extensive national opposition party structure, Ramos's willingness to rally his membership - most of whom supported Rosales over Ramos's call for abstention - will be key to Rosales's efforts.

ENTER THE 800 POUND GORILLA...

¶14. (C) It is unlikely that President Chavez will stand idly by and allow a Rosales-led opposition to take flight. Chavez does not mind an opposition, so long as it is token. Though Chavez actually praised Rosales by name for responsibly conceding defeat, the President has several tools close at hand to thwart Rosales's ambitions. One tool available is the constitutionally-permitted recall referendum, which would apply to governors and mayors in the coming year. Chavez has not signaled whether or not he or his supporters would target Rosales for a recall referendum, though his track record of stomping on potential challengers suggests he could very well pursue this tactic. Moreover, Chavez could seek politically-motivated prosecution against Rosales related to his governorship or once again dredge up allegations of Rosales's support of the short-lived April 2002 coup. Any such tactics would hamper Rosales personally and professionally.

COMMENT

¶15. (C) Manuel Rosales is a serious politician who wants to be taken seriously. Although not a great orator, he has proven political ability and is decisive and focused. Rosales's call for constitutional reform is a shrewd maneuver aimed at keeping the opposition united - and behind him. It also forced Chavez to react to a Rosales jab, something Chavez was unaccustomed to before the campaign and a tactic Rosales successfully employed during the campaign. Rosales succeeded in unifying a disjointed opposition over the last few months, but the greater challenge is keeping it so. With

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no shortage of possible rivals, Rosales may very well see his four million voters fragment along bickering and backbiting lines, reflecting Venezuela's traditionally fractured opposition. Should he manage to avoid that fate, he can expect to travel a path riddled with Chavista political and judicial landmines.
BROWNFIELD